

UNITED STATES OF AMERICA  
Before The  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

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POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

Postal Rate and Fee Changes )

Docket No. R2000-1

ANSWERS OF THE OFFICE OF THE CONSUMER ADVOCATE  
TO INTERROGATORIES OF THE MAJOR MAILERS ASSOCIATION  
WITNESS: JAMES F. CALLOW (MMA/OCA-T6-1-5)  
(June 23, 2000)

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The Office of the Consumer Advocate hereby submits the answers of James F. Callow to interrogatories MMA/OCA-T6-1-5, dated June 9, 2000. Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

  
TED P. GERARDEN  
Director  
Office of the Consumer Advocate

EMMETT RAND COSTICH  
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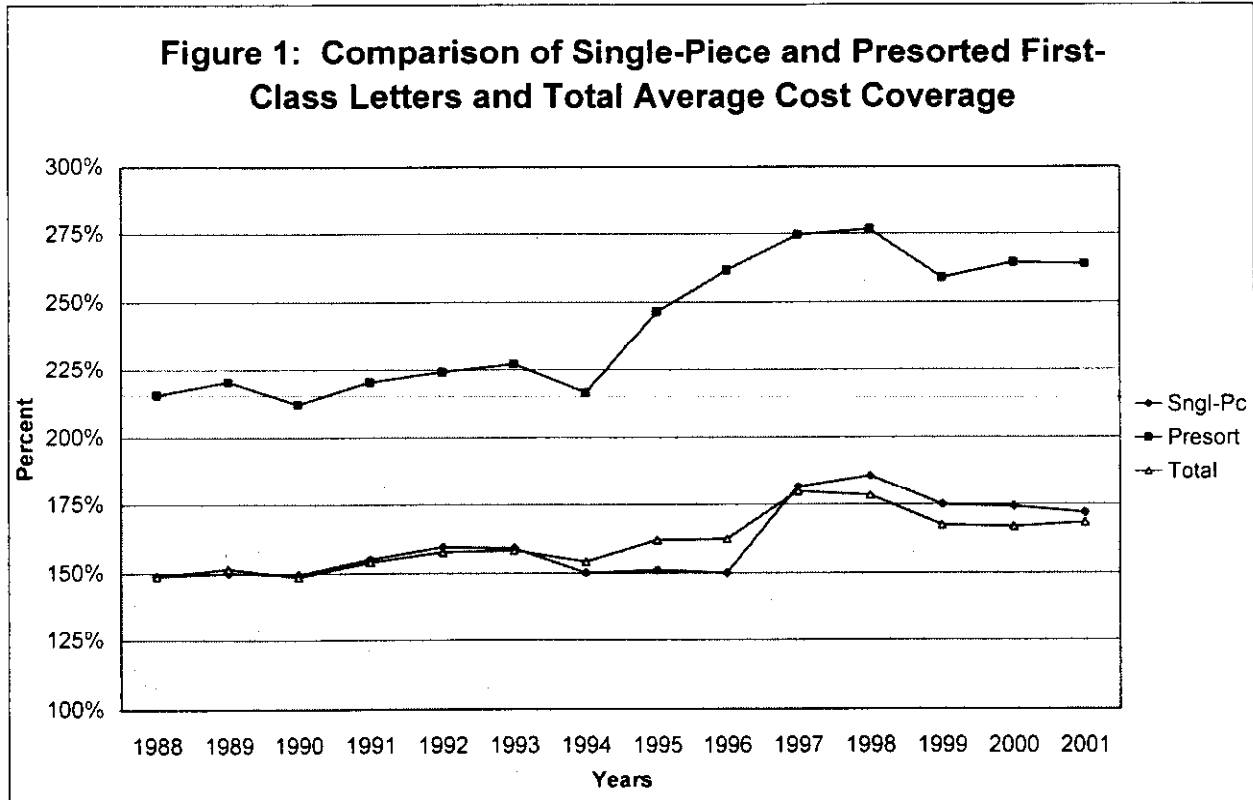
ANSWERS OF OCA WITNESS JAMES F. CALLOW  
TO INTERROGATORIES MMA/OCA-T6-1-5

MMA/OCA-T6-1 Please refer to page 8 of your prepared testimony, specifically Table 1 and the graph identified as Figure 1, both entitled "Comparison Of First Class Letters And Total Average Cost Coverage." Please provide a similar table and graph showing, for the same time periods, the implicit cost coverages (separately) for First-Class Single Piece and First-Class Presorted Letters and the average total cost coverage.

RESPONSE TO MMA/OCA-T6-1

Table 1  
COMPARISON OF SINGLE-PIECE AND PRESORTED FIRST-CLASS LETTER AND TOTAL AVERAGE COST COVERAGE

Cost Coverage	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Sngl-Pc	149%	150%	150%	155%	160%	159%	150%	151%	150%	182%	186%	175%	174%	172%
Presort	216%	220%	212%	220%	224%	227%	216%	247%	262%	275%	277%	259%	265%	264%
Total	149%	152%	149%	154%	158%	158%	154%	162%	162%	180%	178%	167%	167%	168%



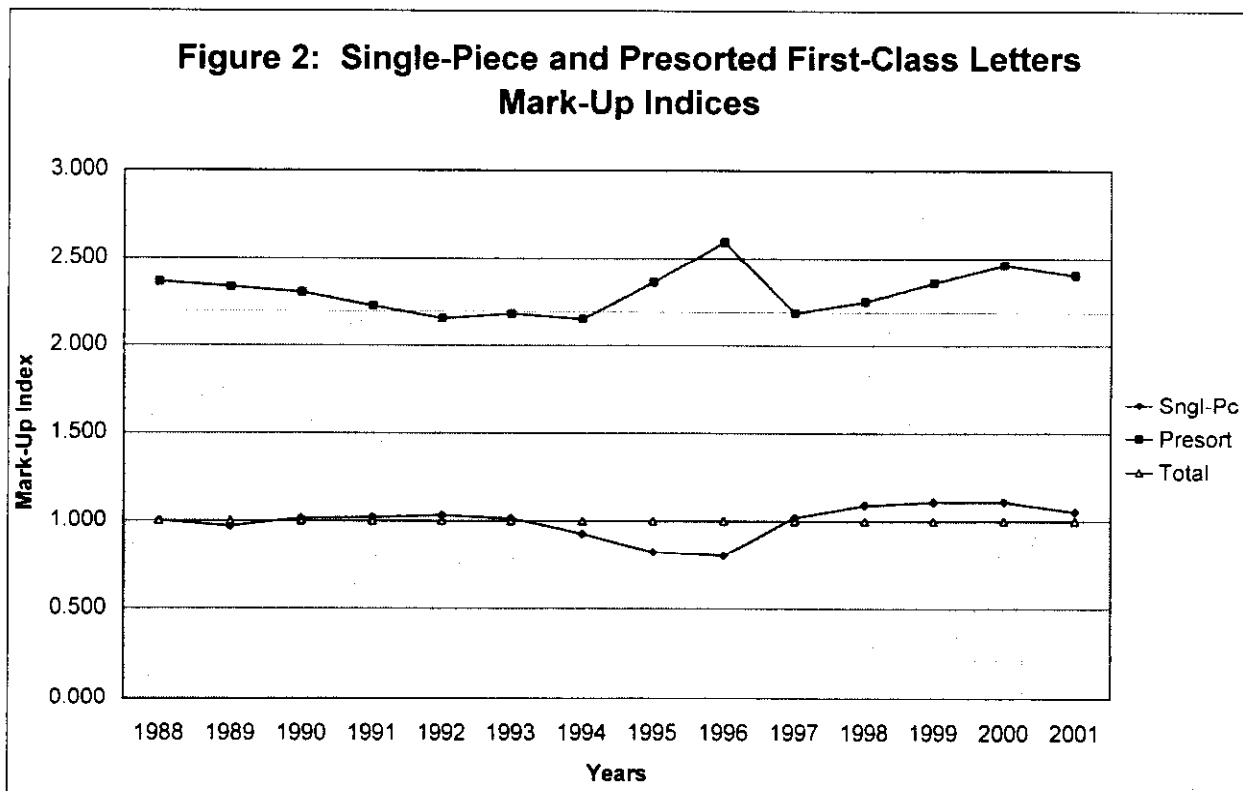
ANSWERS OF OCA WITNESS JAMES F. CALLOW  
TO INTERROGATORIES MMA/OCA-T6-1-5

MMA/OCA-T6-2 Please refer to page 9 of your prepared testimony, specifically Table 2 and the graph identified as Figure 2, both entitled "First Class Letter Mark-Up Index." Please provide a similar table and graph showing, for the same time periods, the implicit mark up indices (separately) for First-Class Single Piece and First-Class Presorted Letters.

RESPONSE TO MMA/OCA-T6-2

**Table 2**  
**SINGLE-PIECE AND PRESORTED FIRST-CLASS LETTERS MARK-UP INDICES**

Mark-Up Index	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Sngl-Pc	1.001	0.969	1.016	1.020	1.033	1.015	0.927	0.823	0.801	1.021	1.093	1.112	1.112	1.053
Presort	2.362	2.333	2.303	2.227	2.153	2.181	2.149	2.361	2.590	2.186	2.252	2.357	2.461	2.401
Total	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000

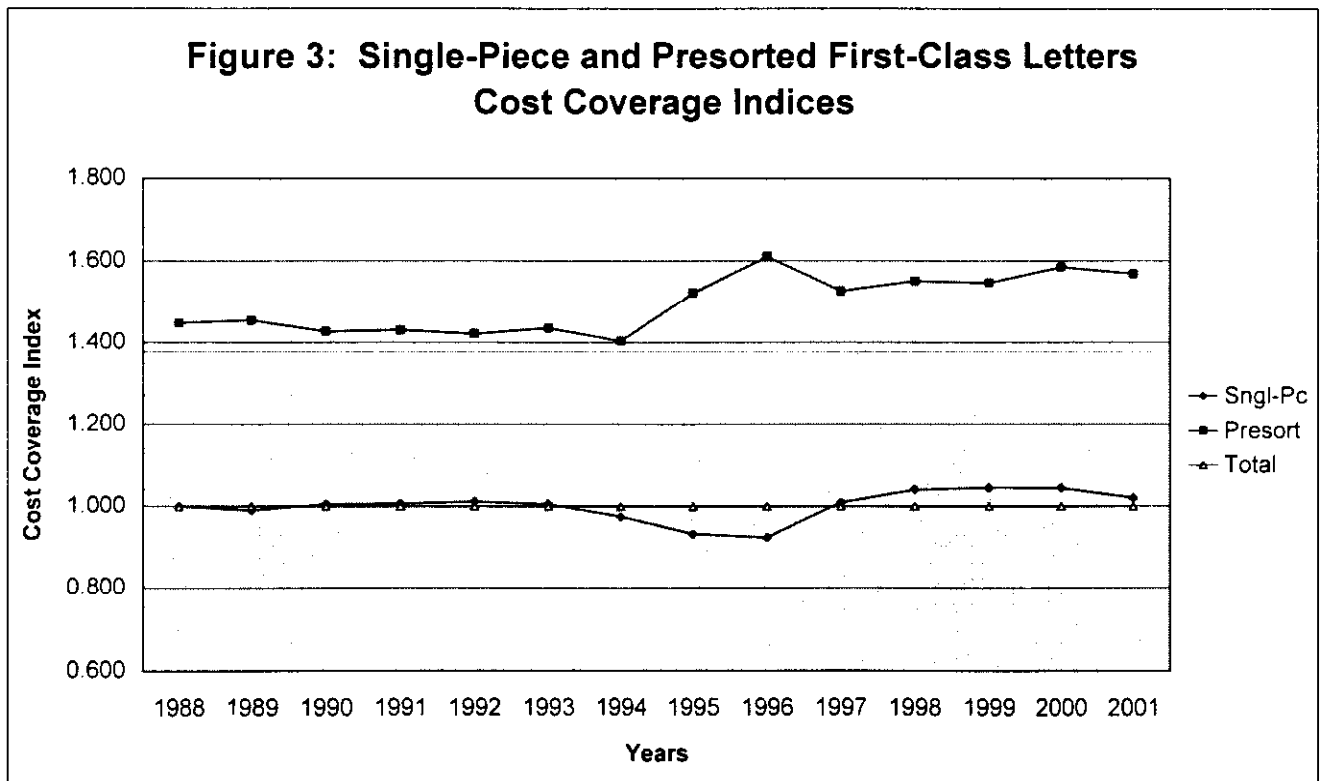


ANSWERS OF OCA WITNESS JAMES F. CALLOW  
TO INTERROGATORIES MMA/OCA-T6-1-5

MMA/OCA-T6-3 Please refer to page 11 of your prepared testimony, specifically Table 3 and the graphs identified as Figure 3, both entitled "First-Class Letter Cost Coverage Index." Please provide a similar table and graph showing, for the same time periods, the implicit cost coverage indices (separately) for First-Class Single Piece and First-Class Presorted Letters.

RESPONSE TO MMA/OCA-T6-3

Table 3														
SINGLE-PIECE AND PRESORTED FIRST-CLASS LETTERS COST COVERAGE INDICES														
Cost Coverage Index	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Sngl-Pc	1.000	0.989	1.005	1.007	1.012	1.005	0.974	0.932	0.924	1.009	1.041	1.045	1.045	1.022
Presort	1.448	1.454	1.427	1.431	1.422	1.435	1.404	1.521	1.611	1.527	1.550	1.547	1.585	1.569
Total	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000



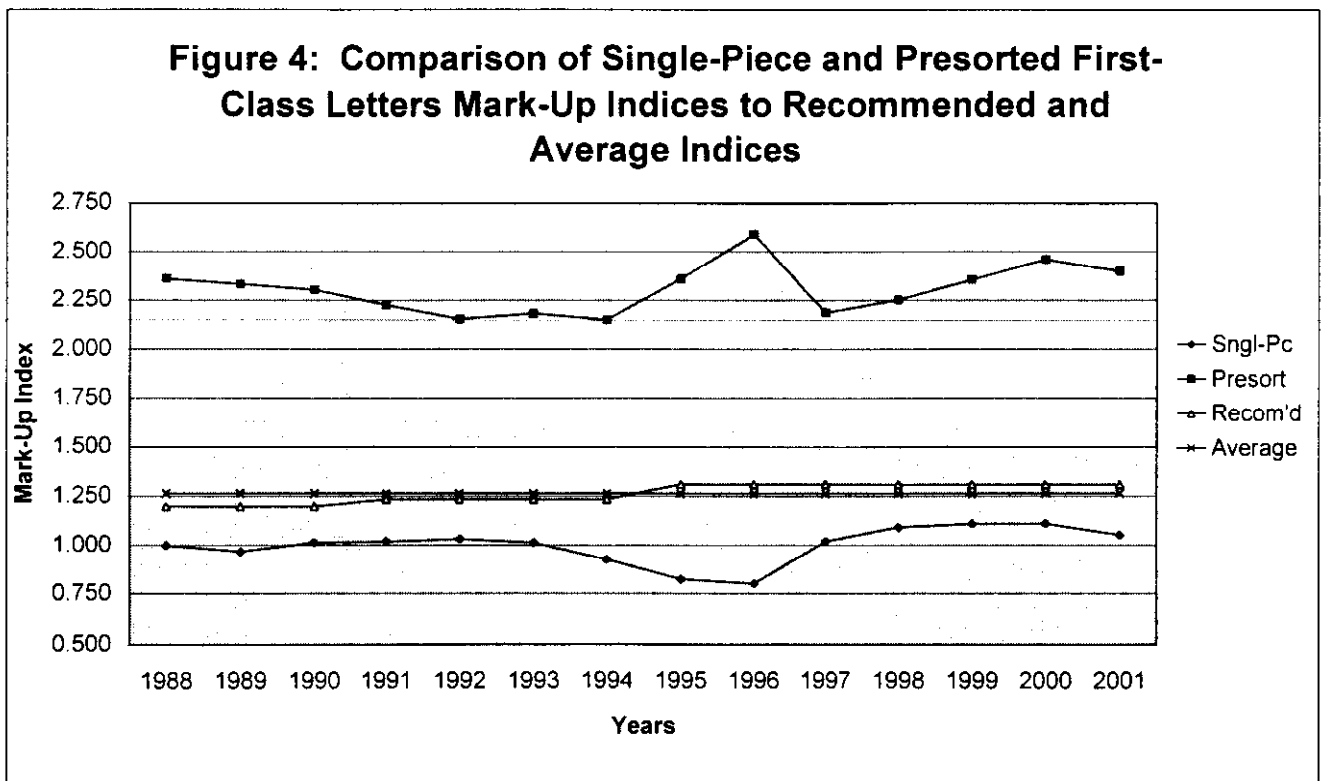
ANSWERS OF OCA WITNESS JAMES F. CALLOW  
TO INTERROGATORIES MMA/OCA-T6-1-5

MMA/OCA-T6-4 Please refer to page 13 of your prepared testimony, specifically Table 4 and the graph identified as Figure 4, entitled respectively "Comparison Of First-Class Letter Mark-Up Index To Average And Recommended Mark-Up Indices" and "Comparison Of First-Class Letter Mark-Up Index To Average And Recommended." Please provide a similar table and graph showing, for the same time periods, the implicit mark-up indices (separately) for First-Class Single Piece and First-Class Presorted Letters, compared to the average and recommended mark-up indices.

RESPONSE TO MMA/OCA-T6-4

Table 4  
COMPARISON OF SINGLE-PIECE AND PRESORTED FIRST-CLASS LETTERS MARK-UP INDICES TO RECOMMENDED AND AVERAGE MARK-UP INDICES

Mark-Up Index	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Sngl-Pc	1.001	0.969	1.016	1.020	1.033	1.015	0.927	0.823	0.801	1.021	1.093	1.112	1.112	1.053
Presort	2.362	2.333	2.303	2.227	2.153	2.181	2.149	2.361	2.590	2.186	2.252	2.357	2.461	2.401
Recom'd	1.200	1.200	1.200	1.235	1.235	1.235	1.235	1.310	1.310	1.310	1.308	1.308	1.308	1.308
Average	1.263	1.263	1.263	1.263	1.263	1.263	1.263	1.263	1.263	1.263	1.263	1.263	1.263	1.263



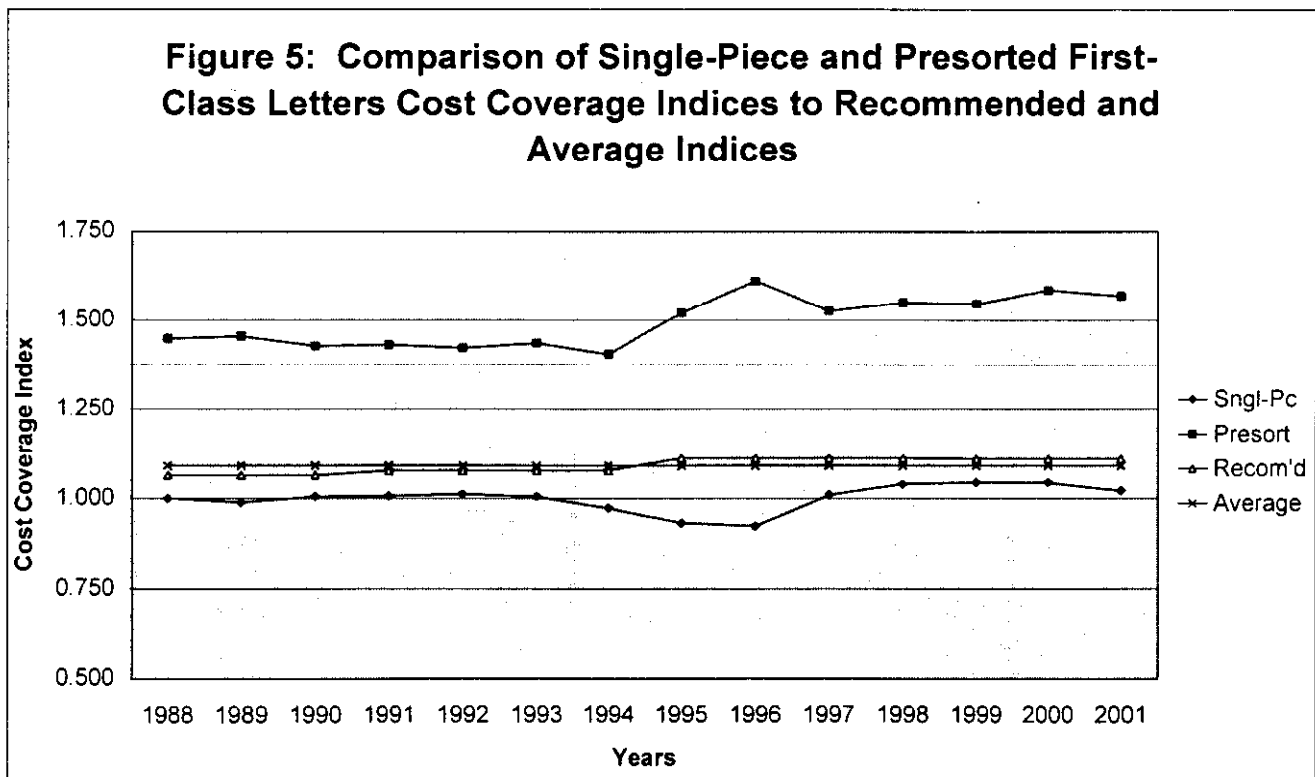
ANSWERS OF OCA WITNESS JAMES F. CALLOW  
TO INTERROGATORIES MMA/OCA-T6-1-5

MMA/OCA-T6-5 Please refer to page 14 of your testimony, specifically Table 5 and the graph identified as Figure 5, entitled respectively "Comparison Of First-Class Letter Cost Coverage Index To Average And Recommended Indices" and "Comparison Of First-Class Letter Cost Coverage Index To Average And Recommended.". Please provide a similar table and graph showing, for the same time periods, the implicit cost coverage indices (separately) for First-Class Single Piece and First-Class Presorted Letters, compared to the average and recommended cost coverage indices.

RESPONSE TO MMA/OCA-T6-5

**Table 5**  
**COMPARISON OF SINGLE-PIECE AND PRESORTED FIRST-CLASS LETTERS COST COVERAGE INDICES TO RECOMMENDED AND AVERAGE INDICES**

Cost Coverage Index	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
Sngl-Pc	1.000	0.989	1.005	1.007	1.012	1.005	0.974	0.932	0.924	1.009	1.041	1.045	1.045	1.022
Presort	1.448	1.454	1.427	1.431	1.422	1.435	1.404	1.521	1.611	1.527	1.550	1.547	1.585	1.569
Recom'd	1.065	1.065	1.065	1.078	1.078	1.078	1.078	1.112	1.112	1.112	1.112	1.110	1.110	1.110
Average	1.091	1.091	1.091	1.091	1.091	1.091	1.091	1.091	1.091	1.091	1.091	1.091	1.091	1.091



## DECLARATION

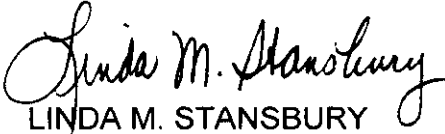
I, James F. Callow, declare under penalty of perjury that the answers to interrogatories MMA/OCA-T6-1-5 of the Major Mailers Association are true and correct, to the best of my knowledge, information and belief.

Executed 6-23-00

James F Callow

## CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with Section 12 of the Rules of Practice.

  
LINDA M. STANSBURY

Washington, DC 20268-0001  
June 23, 2000